

## Message Text

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43 \*  
ACTION EB-11

INFO OCT-01 EA-11 ISO-00 CAB-09 CIAE-00 COME-00 ?DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 L-03 AID-20 TRSE-00

XMB-07 OPIC-12 OMB-01 PA-04 PRS-01 USIA-15 DRC-01

\*( ISO ) W  
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R 151015Z JAN 74  
FM AMEMBASSY BANGKOK  
TO SECSTATE WASHDC 9751

LIMITED OFFICIAL USE BANGKOK 0784

E.O. 11652: N/A  
TAGS: EFIN, EAID,\* EGEN  
SUBJECT: NORTHROP WITHDRAWS FROM SECOND AIRPORT CONTRACT

REF: BANGKOK 690

UNCLASSIFIED.

1. POST AND NATION JANUARY 15 FEATURED WITHDRAWAL OF NORTHROP FROM SECOND AIRPORT CONTRACT. POST PRINTED BODY OF LETTER FROM LORD TO OSOT KOSIN (REFTEL) IN WHICH "SEVERE PUBLIC OPPOSITION AND CONTROVERSY" OVER CONTRACT AND THE WITHDRAWAL OF "AN AMOUNT OF FINANCIAL SUPPORT" WERE GIVEN AS THE MAJOR REASONS FOR THE DECISION.

2. DR. CHAIYUDH, BOARD CHAIRMAN FOR NORTHROP THAILAND AIRPORT COMPANY (NTAC), IN MEETING WITH THE PRESS AT WICH LETTER WAS DISCLOSED, REPORTEDLY STATED THAT NTAC WOULD BE DISSOLVED IN THREE WEEKS AND ALL SHAREHOLDERS WULD HAVE THEIR MONEY RETURNED. HE ALSO ALLEGEDLY SAID THAT US BASED NORTROP AIRPORT DEVELOPMENT CORP. WOULD NOT CLAIM COMPENSATION FROM RTG FOR VARIOUS EXPENSES SUCH AS SOIL SAMPLING ESTIMATED AT ROUGHLY ONE MILLION DOLLARS.  
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3. COMMENT: SANYA GOVERNMENT LIKELY RELIEVED BY NORTHROP ACTION

THAT HAS NOW SAVED IT FROM COLLISION COURSE WITH VARIOUS GROUPS THAT ARE POLITICALLY SYMPATHETIC TO IT. CONTRACT NEGOTIATIONS VIRTUALLY ORIGINATED IN CONTROVERSY THAT ONLY SUBSIDED BUT NEVER DISAPPEARED DESPITE PROGRESS MADE TOWARD CONSTRUCTION STAGE. THE OPPOSITION FORCES RECEIVED SUDDEN ENCOURAGEMENT FROM OCTOBER REVOLUTION WITH WHICH THEY STRONGLY SYMPATHIZED, AND PARTICULARLY HELPFUL WINDFALL IN FORM OF SPINOFF FROM CONTROVERSY OVER CIA LETTER. LORD'S LETTER COMMENDABLY PHRASED, AND THE WORDING PLUS THE DECISION TO WITHDRAW LIKELY TO GO FAR TO REHABILITATE THE COMPANY IN THE EYES OF MANY THAI CITIZENS.

4. THE WITHDRAWAL WILL ALSO HELP US IMAGE IN THAILAND. ONE OF WILDER BANGKOK RUMORS HAS IT THAT THE CIA WAS BEHIND THE CONSTRUCTION OF THE SECOND AIRPORT. MORE IMPORTANTLY SOME KEY THAI OFFICIALS HAVE INFORMED US THAT ANYONE ADVOCATING ITS CONSTRUCTION IS DAMNED BY ASSOCIATION BECAUSE OF CORRUPTION SURROUNDING INITIAL LAND PURCHASE. ONE OFFICIAL CLAIMED THAT INVOLVEMENT OF A US COMPANY COULD \*SOUR THAI/US RELATIONS FOR SEVERAL YEARS TO COME.  
KINTNER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, CONTRACTS, AIRPORTS, JOINT VENTURES, OPPOSITION PARTIES, STUDENTS, STOCKS (SECURITIES)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 JAN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BANGKO00784  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** BANGKOK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740142/aaaabnfp.tel  
**Line Count:** 80  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** BANGKOK 690  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 AUG 2002  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NORTHROP WITHDRAWS FROM SECOND AIRPORT CONTRACT  
**TAGS:** EFIN, EAID, EGEN, NORTHROP THAILAND AIRPORT CO  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005